Impact of Budget in Share Market

3484. SHRI N. GIRIPRASAD : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the share market showed bearish trend after 1993-94 annual budget presentation;

(b) if so, what are the reasons for this trend;

(c) in what way budget proposals contributed for the downward trend in share prices; and

(d) whether Government wants to intervene to revise the trend ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) to (c) The share market has shown a downward rend after the presentation of the Budget for 1993-94. The movement of share prices is determined by several factors such as market sentiment, expectations of the investors etc. There is no objective reason why any of the Budget proposals should have a negative effect on share prices. However, the lack of specific concessions for the capital market in the areas of direct taxes, could have contributed to some decline in the level of share prices, if expectations had built up among investors that such concessions would be offered.

(d) The normal mechanism for regulating the capital market does not involve Government intervening directly in the share market for regulating the level of share prices.

Evation of Taxes by M/s. Royal Distillery Pvt. Ltd.

3485. SHRI RAJUBHAI A. PARMAR: Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that M/s. Royal Distillery Private Limited, 205, Princess Street, Bombay have evaded income tax and excise duty during the last three years resulting in heavy financial loss to Government;

(b) if so, what are the details of cases involving income tax and excise duty filed during the last three years by the above firm; and

(c) whether Government have initiated any proceedings against the said company for violation of various provisions of Income Tax Act and other relevant provisions for evading the taxes and if not, what are the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) to (c) M/s. Royal Distillery Private Ltd. are not manufacturing any excisable goods and hence the question of Excise Duty Evasion does not arise. In regard to income tax, the information is being collected and will be laid on the Table of the House.

SEBI's Request Regarding Shares

3486. SHRI RAMACHANDRAN PILLAI : Will the Minister of FINANCE be pleased to state :

(a) whether Government have received any request from the Securities and Exchange Board of India regarding shares purchased by Government servants from promoters' quota;

(b) if so, what are the details of the said request; and

(c) what action has been taken so far on the issue ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) No, Sir.

(b) and (c) Does not arise.

Renewal of Licences of Surveyors

3487. SHRI VISHWASRAO RAMRAO PATIL : Will the Minister of FINANCE be pleased to state :

(a) what is the number of persons granted licences to act as surveyors and the loss assessed by the Controller of Insurance, Ministry of Finance, Department of Economic Affairs, since 1970;

(b) what is the number of licences renewed upto 1992;

(c) whether it is a fact that some of the persons have been denied renewal of licences;

(d) if so, what are the reasons therefor; and

(e) whether the cases of those who have been denied the renewal of licences are being considered for granting renewal of licences ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) 37376 upto 31st December, 1992.

(b) 6065, during the five year period 1988 to 1992.

(c) and (d) Yes, Sir. Those who did not possess the prescribed qualifications or discovered to hold forged certificates were denied renewal of their licences.

(e) No. Sir.

Shifting of Collectorate Headquarters from Shillong to Guwahati

3488. SHRIMATI BASANTI SARMA : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that his Ministry had agreed in principle to shift the Collectorate Headquarters Office from Shillong to Guwahati;

(b) whether any concerted efforts have been made so far to shift it; and

(c) if so, when and if not, what are the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) to (c) The Government had agreed in principle to shift the headquarters of Central Excise and Customs Collectorate from Shillong to Guwahati subject to availability of land for office and residential accommodation. The matter is being pursued with the State Government.

LIC and GIC Loans for Social Housing Schemes

3489. SHRI DILIP SINGH JUDEV : Will the Minister of FINANCE be pleased to state :

(a) whether LIC and GIC are launching any social housing schemes;

(b) if so, what are the details of these Schemes;

(c) whether loans are also being given to the States to launch these social housing schemes; and

(d) if so, the total amount of loan being given to Madhya Pradesh for launching the social housing schemes during the current financial year and during the last three years ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED) : (a) to (c) LIC and GIC grant loans to State Governments every year for financing social housing schemes, rural and urban, on the basis of allocation made by the Planning Commission, in consultation with the Ministry of Urban Development etc. in pursuance of Government guidelines loans are granted on soft terms. Disbursement of funds is, however, subject to the execution of loan agreement under the seal of the State Government, furnishing utilisation certificate for the past loans granted, etc.

(d) Total amount of loans granted by GIC and LIC to the State Government of Madhya Pradesh during the last three years is as under :—

	(Rs. in Crores)	
Year	GIC	LIC
1989-90	1.48	4.64
1990-91	1.68	4.69
1991-92	1.45	5.49

For the current year 1992-93, the GIC and LIC have allocated Rs. 2.15 crores and Rs. 5.83 crores respectively for granting loans to the State Governments. The actual amounts disbursed will be available only after closing the accounts for the current year.